

U.S. taxpayer money may have been given to the Palestinian Authority without adequate accountability measures in place

Washington, DC — Reps. Steve Israel (D – NY), Ted Deutch (D – FL), and Nita Lowey (D – NY) today called on the Government Accountability Office (GAO) to investigate the use of U.S. funds by the Palestinian Authority and whether adequate accountability measures are in place to prevent misuse of U.S. funds.

Below is the full letter from the Representatives:

May 8, 2011

Mr. Gene Dodaro

Comptroller General of the United States

U.S. Government Accountability Office

441 G St., NW, Room 7100

Washington, DC 20548

Dear Mr. Dodaro,

We write to you with concerns about the Palestine Investment Fund (PIF) and reports that U.S. taxpayer money may have been given to the PIF without adequate accountability provisions in place. We would like you to investigate whether U.S. funding has been given to the PIF, and if so, under what circumstances.

When Palestinian Authority Prime Minister Salam Fayyad created the PIF in 2002, he did so under a framework of transparency and accountability. We are concerned about reports of an increasing lack of transparency for the PIF and that Hamas has taken control of PIF assets in Gaza. We are also troubled by reports that Palestinian Authority President Mahmoud Abbas has stated his intent to use PIF funds to build housing for convicted terrorists responsible for killing Israeli citizens.

The possibility that Hamas is controlling aspects of the PIF is particularly troubling given the ambiguity surrounding the amount of U.S. taxpayer dollars contributed to the PIF. The U.S.

Agency for International Development as well as the Overseas Private Investment Corporation have reportedly contributed \$2 million and \$241 million respectively to the PIF's Affordable Mortgage and Loan program. It is for these reasons we respectfully request that the GAO inform us as to the scope and nature of U.S. contributions to the PIF and what if any restrictions are placed on such U.S. assistance.

The United States must be unequivocally committed to ensuring that American taxpayer dollars are used to serve the interests of the United States and our allies around the world. We appreciate your prompt attention to this matter.

Sincerely,

Steve Israel

Ted Deutch

Nita Lowey

Member of Congress
Congress

Member of Congress

Member of